

Message Text

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TO AMEMBASSY ROME IMMEDIATE

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TAGS: PFOR, IT

SUBJECT: CHICAGO TRIBUNE STORY ON LOCKHEED SCANDALS

1. FOLLOWING IS FULL TEXT OF APRIL 6 CHICAGO TRIBUNE
ARTICLE BY JOHN MACLEAN ON LOCKHEED SCANDALS:

2. BEGIN TEXT: NAME ITALY BRIBE FIGURES: US EMBASSY.

WASHINGTON -- THE UNITED STATES EMBASSY IN ROME HAS CALLED
ON SECRETARY OF STATE HENRY KISSINGER TO DISCLOSE THE
NAMES OF ITALIAN OFFICIALS INVOLVED IN THE LOCKHEED
BRIBERY SCANDAL, CONTRARY TO KISSINGER'S POLICY.

IN A CONFIDENTIAL CABLE TO KISSINGER ON MARCH 1, THE
EMBASSY SAID THE SCANDAL CAUSED AN UPROAR IN ITALY,
DISCREDITING "THE IMAGE OF AMERICAN DEMOCRACY AS A MODEL
FOR THE ITALIAN POLITICAL SYSTEM AND CALLING INTO QUESTION
THE ADVISABILITY OF CLOSE PUBLIC ASSOCIATION WITH
AMERICA."

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THE EMBASSY TOLD KISSINGER: "THE ONLY CONCEIVABLE DAMAGE-LIMITED OPERATION WOULD BE FULL DISCLOSURE OF THE FACTS AND ELIMINATION OF THOSE CULPABLE....MANY OF OUR FRIENDS ARE RESENTFUL THAT WE ARE UNABLE TO COME UP WITH THE

INFORMATION NEEDED."

A COPY OF THE ROME CABLE WAS OBTAINED BY THE CHICAGO TRIBUNE. MARKED "CONFIDENTIAL" AND "IMMEDIATE", IT WAS ADDRESSED TO THE SECRETARY OF STATE.

FOUR DAYS AFTER THE CABLE WAS SENT, THE STATE DEPARTMENT ANNOUNCED THAT THE JUSTICE DEPARTMENT WOULD CONSULT WITH FOREIGN GOVERNMENTS ABOUT THE BRIBERY CHARGES AND RELEASING THE NAMES OF THOSE INVOLVED.

PRIOR TO THAT, KISSINGER HAD ADVISED WITHHOLDING THE NAMES IN THE INTEREST OF FOREIGN RELATIONS. HE TOLD ASSOCIATES THAT DISCLOSURE COULD HAVE "EXTREMELY SERIOUS" CONSEQUENCES IN FOREIGN COUNTRIES.

THE ROME CABLE DETAILED THE IMPACT OF THE FEB. 4 RELEASE OF DOCUMENTS ABOUT BRIBERY BY THE LOCKHEED AIRCRAFT CORP. IN ITALY AND ELSEWHERE. THE DOCUMENTS, WHICH DID NOT NAME FOREIGN OFFICIALS, WERE MADE PUBLIC BY THE SENATE SUBCOMMITTEE ON MULTINATIONAL CORPORATIONS, HEADED BY SEN. FRANK CHURCH (D., IDAHO).

FROM THEN ON, THE CABLE SAID, THE SCANDAL PRODUCED FRONT-PAGE REPORTS IN ALL ITALIAN NEWSPAPERS. THIS INCLUDES SPECULATION ON THE INVOLVEMENT OF MANY GOVERNMENT OFFICIALS.

THE SCANDAL PROVIDED AMMUNITION FOR THE ITALIAN COMMUNIST DRIVE TO BECOME A NATIONAL POLITICAL POWER, THE CABLE REPORTS.

"THE STORY COMES ACROSS AS 'PROOF' THAT THE SYSTEM IS ROTTEN -- AND THE BLAME FALLS ON THOSE WHO HAVE BEEN IN CHARGE FOR THE LAST 30 YEARS, THE CHRISTIAN DEMOCRATS,"
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THE CABLE STATES. "BEING CLOSELY IDENTIFIED WITH THE CHRISTIAN DEMOCRATS, THE US INEVITABLY SHARES THAT BLAME.

"THE STORY IS SEEN BY MANY, ESPECIALLY THE YOUNG, AS CONFIRMATION OF WHAT THE PCI (ITALIAN COMMUNIST PARTY) PROPAGANDA HAS BEEN TELLING THEM FOR YEARS.

"MOST ANALYSTS HAVE, IN RECENT YEARS, ATTRIBUTED THE DC'S

(CHRISTIAN DEMOCRATS) DECLINING STRENGTH TO INEFFICIENCY AND CORRUPTION. THE LOCKHEED SCANDAL WILL WORK AGAINST DC EFFORTS TO WIN BACK SOME OF THOSE WHO HAVE, FOR THESE REASONS, SWITCHED THEIR ELECTORAL SUPPORT FROM THE DC TO THE LEFT.

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"THE SIGNIFICANCE OF THE LOCKHEED SCANDAL IS THAT...IT HAS THROWN MUD ON MANY OF THE MOST IMPORTANT NON-COMMUNIST ITALIAN INSTITUTIONS AND INDIVIDUALS."

AS AN EXAMPLE, THE CABLE CITES THE CASE OF MARIO TANASSI, FORMER MINISTER OF DEFENSE, WHO "IS WIDELY KNOWN AS ONE OF THE LEADING EXPONENTS OF NATO (NORTH ATLANTIC TREATY ORGANIZATION) AND A CLOSE ALLIANCE WITH THE UNITED STATES.

"HE HAS LONG ADVOCATED THE MAINTENANCE OF AN EFFECTIVE

ITALIAN MILITARY ESTABLISHMENT EVEN IF IT INVOLVED SOME FINANCIAL SACRIFICE. IF IT IS DEMONSTRATED THAT 'HE ONLY DID IT FOR THE MONEY,' IT WILL HARM THE CAUSE OF THE ATLANTIC ALLIANCE.

"IT COULD ALSO FRACTURE HIS PARTY -- THE SOCIAL DEMOCRATS -- AND DISCOURAGE SOCIAL DEMOCRATS FROM MAKING AN EFFORT TO REMAIN AN AUTONOMOUS DEMOCRATIC FORCE."

EVEN IF TANASSI IS NOT PROVEN GUILTY, THE CABLE STATES, IT WILL BE "ALMOST IMPOSSIBLE" TO PROVE HIS INNOCENCE IF THE NAMES OF OFFICIALS INVOLVED ARE NOT DISCLOSED.

THE CABLE DETAILS THE EFFECTS OF THE SCANDAL ON ITALIAN INDIVIDUALS AND INSTITUTIONS, THEN TURNS TO THE IMPACT ON UNCLASSIFIED

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AMERICAN INSTITUTIONS AND THE US REPUTATION IN ITALY.

THE LOCKHEED SCANDAL DEMONSTRATED TO SOME, THE CABLE RELATES, THAT US BUSINESS "FEELS FREE TO INTERFERE IN INTERNATIONAL AFFAIRS OF A SOVEREIGN ALLY.

"THEIR RESORT TO THE BRIBE TO ENCOURAGE BUSINESS SHOWS LACK OF FAITH IN COMPETITIVE MARKET MECHANISMS AND FREE ENTERPRISE. INCREDIBLY, OPERATIONS OF OTHER FOREIGN FIRMS HAVE NOT BEEN SO SCRUTINIZED.

"UNFORTUNATELY IT WILL NOT HELP THE FORCES OF DEMOCRACY FOR ITALIAN, FRENCH, GERMAN AND JAPANESE FIRMS TO JOIN OURS IN THE STOCKADE UNLESS THE OPERATIONS OF THE EASTERN TRADING CORPORATIONS ARE LIKEWISE IMPLICATED." KISSINGER

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